

**REPORT AND
STATEMENT**

**DOMINION
BRIDGE
COMPANY
LIMITED**

**FOR YEAR ENDED
31st, OCTOBER 1921**

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ANNUAL REPORT



FOR THE FISCAL YEAR
ENDED 31st. OCTOBER 1921

DOMINION BRIDGE COMPANY

LIMITED

DIRECTORS

W. F. ANGUS	F. W. MOLSON
A. J. BROWN, K. C.	HOWARD MURRAY
NORMAN J. DAWES	C. E. NEILL
G. H. DUGGAN	Commander J. K. L. ROSS
PHELPS JOHNSON	JULIAN C. SMITH
J. M. McINTYRE	H. H. VAUGHAN
	F. L. WANKLYN

G. H. DUGGAN	- - -	President and Man. Director
W. F. ANGUS	- - -	Vice-President
F. L. WANKLYN	- - -	Vice-President

N. W. WARREN	- - -	General Manager
R. MONTAGUE DAVY	- - -	Secretary-Treasurer

PRINCIPAL OFFICE and WORKS - - - LACHINE, Que.

BRANCH OFFICE and WORKS

OTTAWA, Ont.,	TORONTO, Ont.,	WINNIPEG, Man.,
W. A. MATTICE,	GEO. E. EVANS,	S. W. CAMPBELL,
Local Manager.	Local Manager.	Western Manager.

AGENCIES

EDMONTON, Alberta	DONALD J. CARTER, Agent,	TEGLER BUILDING
REGINA, Sask.	H. CRABTREE, Agent	1769 Hamilton Street
VANCOUVER, B.C.	R. F. MATHER, Agent	626 Pender Street West

DOMINION BRIDGE COMPANY, LIMITED

REPORT OF DIRECTORS TO SHAREHOLDERS AT THE
ANNUAL GENERAL MEETING OF THE COMPANY,
HELD AT THE WINDSOR HOTEL, MONTREAL,
ON WEDNESDAY, JANUARY 11th, 1922,
AND COVERING THE BUSINESS
OF THE COMPANY FOR ITS
FINANCIAL YEAR ENDING
OCTOBER 31st, 1921.

The general depression existing throughout the Country has had an adverse effect on all departments of the Company's business which became more pronounced as the year proceeded.

The gross profits for the year were \$623,737.42, the lowest in the history of the Company. Deducting from these profits depreciation on plant and machinery at the rate established in previous years, reserves for doubtful accounts, etc., the net earnings become \$378,693.96.

It may be noted that the reserve for Federal Taxes and doubtful accounts is unusually high.

The falling off in earnings is accounted for by the low prices ruling and the small output, this being only 38,317 tons against 50,778 tons last year.

During the year there was an unprecedented fall in mill prices which caused heavy depreciation in the value of the inventory and it seemed proper to make special provision for this depreciation.

DOMINION BRIDGE COMPANY, LIMITED

Your Directors declared the regular quarterly dividends during the year. This necessitated drawing to some extent upon the substantial surplus profits which the Company had been able to set aside in previous years.

A change will be noted in the balance sheet this year in showing the book value of the Company's fixed assets less a depreciation reserve which is the aggregate of the amounts written off each year since the reorganization of the Company. The net figure of fixed assets remains the same.

The Robb Engineering Works, in which your Company is a large shareholder and whose indebtedness to its Bankers is guaranteed by your Company, found it necessary to obtain additional funds to enable it to carry on business and, as the Company's Bankers would not make further loans without the guarantee of your Company, the Robb Engineering Works was obliged to make an issue of bonds for the amount of \$500,000.00 and offer them pro rata to its shareholders. Your Company subscribed for \$405,700.00 par value of these bonds and when the arrangements now being carried out are completed, its guarantee will cease.

The Canadian Tillsoil Farm Motors Limited, the incorporation of which was authorized at the last Annual Meeting, purchased from the Robb Engineering Works a number of tractors and entered on an active sales campaign but, owing in large measure to the adverse business conditions which overtook the field of its activities, its operations for the past year have not been remunerative and it has been decided to suspend selling operations until more favorable conditions arise.

DOMINION BRIDGE COMPANY, LIMITED

You will be asked to approve the dividends declared by your Directors during the past year and also to approve an alteration to By-Law No. XVIII giving authority to the General Manager to sign Sales Contracts.

Meetings of your Board of Directors have been held monthly, the books of your Company have been regularly audited and the Certificate of your Auditors appears on the Financial Statement herewith submitted.

For the Board of Directors.

G. H. DUGGAN,

President.

DOMINION BRIDGE

BALANCE SHEET AS

ASSETS

Fixed Assets

Real Estate, Plant Machinery and Equipment - - -	\$5,165,340.48	
Less Depreciation Reserve	<u>1,132,887.77</u>	4,032,452.71
Investments in other Companies		2,307,058.50
Loans to Subsidiaries Less Reserve - - - - -		<u>156,170.00</u>
		6,495,681.21

Current Assets

Cash on hand and in Bank		1,023,942.31
Deposits on Tenders - - -		48,039.10
Expenditure on uncompleted Contracts, less amount re- served for contingencies		
	1,215,076.15	
Less amounts received on account - - - - -	<u>748,942.34</u>	466,133.81
Accounts and Bills Receiv- able less Reserves - -		1,481,587.78
Stock of Steel, Supplies and Small Tools, Less Reserve	<u>1,842,443.47</u>	4,862,146.47

Suspended Accounts

Unexpired Insurance Premiums, Taxes, etc. - - - - -		95,563.01
		<u>\$11,453,390.69</u>

NOTE. The Royal Trust Company hold 1398 fully paid non-assessable shares of the Company for the purpose of selling the same to the employees of the Company. Any further profit over the purchase price resulting from the sale of such shares will inure to the benefit of the Company.

G. H. DUGGAN, DIRECTOR

F. L. WANKLYN, DIRECTOR.

COMPANY, LIMITED

AT OCTOBER 31st, 1921

LIABILITIES

Capital Stock

Authorized 100,000 shares of \$100.00 each - - - - -	\$10,000,000.00	
Issued 65,000 Shares of \$100.00 each - - - - -		\$6,500,000.00

Reserve Accounts

For Depreciation and Renewals - - -	386,704.12	
" Accidents in Erection - - - -	181,358.36	
" Accident Insurance to Employees	20,801.12	588,863.60

Surplus Account

Balance as per Profit & Loss Account	3,671,838.22
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Current Liabilities

Dividend payable 15th Nov. 1921 -	130,000.00	
Sundry Accounts and Bills Payable including provision for Federal Taxes	562,688.87	692,688.87

\$11,453,390.69

Contingent Liabilities

Guarantee to Bank of Montreal of Robb Engineering Works, Limited, loan of \$328,000.00, which is being retired by the sale of Bonds to the Bridge Company.

Montreal, 28th December, 1921.

Audited and verified as per our Report of this date.

RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.

AUDITORS.

DOMINION BRIDGE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR YEAR ENDING 31st, OCTOBER, 1921

Profits from Contracts, Interest and	
Dividends received on Investments	
and Miscellaneous Earnings - -	\$623,737.42

Deduct

Directors' Fees - - - -	15,130.00	
Reserved for Doubtful Accounts		
and Federal Taxes - - -	95,607.99	
Depreciation on Plant, Machinery, etc.	<u>134,305.47</u>	
		245,043.46
Net Earnings - - -		<u>\$378,693.96</u>

Add

Balance at credit 1st November 1920	<u>4,293,144.26</u>
	\$4,671,838.22

Deduct

Dividend for year at the rate of 8% \$520,000.00	
Reserve for Shrinkage in Inventory	
Values - - - - -	<u>480,000.00</u>
	<u>1,000,000.00</u>
	<u>\$3,671,838.22</u>

RIDDELL, STEAD, GRAHAM & HUTCHISON
CHARTERED ACCOUNTANTS

80 ST. FRANCOIS XAVIER ST.

Montreal, 28th December, 1921

To the Shareholders,

DOMINION BRIDGE COMPANY, LIMITED

We have examined and audited the Books and Accounts of the Dominion Bridge Company, Limited, for the year ended 31st October, 1921, and report as follows:—

The inventories of Stock on Hand, as certified by responsible Officials of the Company, have been valued at cost, less a reasonable provision for shrinkage in values.

We have checked the Cash on Hand and certificates verifying the Bank balances have been produced to us. The investments in which the Company is interested we have verified by actual inspection of the securities.

And we certify that we have obtained all the information and explanations we have required, and that, in our opinion, the accompanying Balance Sheet as at 31st October, 1921, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

RIDDELL, STEAD, GRAHAM & HUTCHISON

CHARTERED ACCOUNTANTS

Auditors.



